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STATE OF THE STATE ADDRESS
48TH ARIZONA LEGISLATURE
SECOND REGULAR SESSION
JANUARY 14, 2008

[EXCERPT ON SUB-PRIME LENDING]

Switching to personal investments for a moment, let's talk about Arizonans stuck in the subprime-lending debacle.

I have met with the major lenders in our state. We have agreed that buyers should have the chance to work out their loans with lenders and to stay in their homes; yet, they must still meet their obligations to the businesses that lent them money.

Now, it's our job to keep this mess from happening again. To do this, I've created a three-step plan.

First, the Department of Real Estate, at my direction, has created the *Homebuyers' Bill of Rights*. It is available now, on the Web and in print, and it gives homebuyers information about roads, water, police and fire services and more. It's a tool for making educated financial decisions, and it's step one.

For step two, you need to pass the Arizona Home Equity Theft Protection Act, to license "equity purchasers." There are some in this category who prey on vulnerable homeowners and use deceptive practices to cheat them out of their homes. Let's pass the bill and put the bad guys out of work.

The third step is to license loan officers. When an Arizonan sits down to talk about buying a home – usually the biggest investment they'll ever make – the person on the other side of the table should be experienced, educated and ethical. Once they're licensed, that license can be removed for behavior that violates the law or the ethical rules of the profession. Our state's lenders want high standards in their field, so let's work with them and get this done this year.

We will live through this housing-market downturn, and we will mitigate those that come in the future.